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O'Dwyer's Newsletter

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ICR GUIDES BOB EVANS IN BIG BREAKFAST DEAL

ICR Inc. is guiding sausage maker Bob Evans Farms as it agrees to a \$1.5B acquisition by Post Holdings, the big cereal maker based in St. Louis.

The deal joins Post, which markets favorites such as Honey Bunches of Oats and Pebbles, with Evans' pork sausages to provide the St. Louis-based company a bigger share of the breakfast market.

CEO Rob Vitale noted that Evans expands Post's presence in food service and higher growth categories of the packaged food market. "Combining with Bob Evans expands our portfolio of top brands and gives Post a leading position in the perimeter of the store," he said.



Founded in 1948, Evans distributes sausages, refrigerated potato/pasta/vegetable side dishes and frozen convenience items under the Bob Evans, Owens, Country Creek and Pineland Farms brands.

ICR's Scott Van Winkle represents Evans, which is headquartered in New Albany, Ohio.

JF SHOPS TOYS 'R' US REORG

Joele Frank Wilkinson Brimmer Katcher is handling last week's Chapter 11 filing of Toys "R" Us, which seeks a court-supervised reorganization due in part from debt pressures related to the 2005 \$6.6B buyout by Vornado Realty Trust and Bain Capital and KKR & Co.

Wal-Mart, Target and Amazon.com also put competitive heat on the once-dominant toy retailer, operator of 1,600 stores worldwide,

CEO Dave Brandon offered a positive spin on Chapter 11, saying it "marks the dawn of a new era at Toys"R"Us where we expect that the financial constraints that have held us back will be addressed in a lasting and effective way."

He assured customers that it would be business-as-usual during the financial restructuring

"As the holiday season ramps up, our physical and web stores are open for business, and our team members around the world look forward to continuing to put huge smiles on children's faces," said Brandon.

JFWBK's Michael Freitag and Meaghan Repko represent Wayne, NJ-based Toys, which employs 65K people.



CITIZEN RELATIONS ADDS NEW NARRATIVE

Citizen Relations acquired experiential and influencer marketing specialist The Narrative Group to bolster its strategic planning and creative functions.

TNG will maintain its own brand name and continue to be led by agency co-founders Jackie Lann Brockman and Stacey Heuser. They will report to Jim Joseph, CR CEO.

The shops have an eight-year history of working together, noted CR chairman Daryl McCullough, who "realized a lot of synergy between the two agencies right from the beginning."



Daryl McCullough

They collaborated on work for Duracell, Aflac and Swiffer, along with the 50th anniversary cruise of Princess Cruises that brought together the original cast from the TV series "The Love Boat."

Heuser said the partnership would give TNG more opportunities to implement media strategy and digital work. McCullough said, "Our capabilities work very closely together. They take up where we leave off."

The flexible nature of the partnership is intended to allow both firms to manage their concurrent growth plans. "The acquisition fits perfectly in our plans to scale up the agency," said Heuser.

China's Blue Focus International owns CR.

D'AMATO PUSHES FOR MEDICAL MARIJUANA

Former New York Republican Senator Al D'Amato wants to broaden patient access to the Empire State's medical marijuana program, which Gov. Cuomo signed into law three years ago.

The conservative politico confesses that he is an unlikely champion of pot, growing up in a conservative Italian-American family during the "reefer madness" era.

"I began my service in the U.S. Senate as Ronald Reagan became our President and First Lady Nancy Reagan led the charge to 'just say no,'" he wrote in an op-ed piece today in the *New York Daily News*. "Nobody was more anti-drugs than I was."

D'Amato, who is working with the New York chapter of the Marijuana Policy Project, says his views changed as he learned more about pot.



D'Amato with
President Reagan

(Continued on pg. 2)

D'AMATO PUSHES FOR MEDICAL MARIJUANA

(Continued from pg. 1)

He praised lawmakers for their openness about marijuana and for providing access, which he believes improves the health and quality of life for New Yorkers.

The founder of Park Strategies urged Cuomo to sign a bill passed earlier this year to provide medical marijuana to people with post-traumatic stress disorder, which affects 20 percent of veterans of the wars in Afghanistan and Iraq and eight percent of the overall population.

He also wants New York to explore whether medical marijuana should be used to combat the opioid crisis.

Beyond the medical use, D'Amato wants to begin the conversation about legalizing the adult use of marijuana.

"There was a time in my life when I would have been unequivocally opposed to such an idea," he wrote in the op-ed. "However, as I've gotten older and learned more, and as adult use continues to gain momentum across the country, it is clearly becoming time to have that debate in New York."

WHIRLPOOL RETAINS NAFTA LOBBYING AID

Whirlpool Corporation has become the latest U.S. company to retain lobbying counsel amid ongoing attempts by the Trump administration to renegotiate terms of the North American Free Trade Agreement, signing a September pact with law and lobbying giant Akin Gump Strauss Hauer & Feld for help with trade and tax issues on Capitol Hill.

The Benton Harbor, MI-based home appliance manufacturer, which markets Whirlpool, Maytag, KitchenAid, Jenn-Air and other household brands, drew criticism in 2009 when it shuttered a plant in Evansville, Indiana and moved production of some of its refrigerators to Mexico. A plant in Fort Smith, Arkansas, which staffed about 5,000, closed two years later for the same reason.

In an unexpected reversal, the *Fortune* 500 company, which now maintains manufacturing facilities in the Mexican cities of Monterrey, Ramos Arizpe and Celaya, in 2014 moved production of some of its commercial front-load washing machines from Mexico to a plant in Clyde, Ohio, allegedly in a bid to save on shipping costs to U.S. consumers, who comprise an overwhelming majority of that product's audience.

Trump, who once referred to NAFTA as "the worst trade deal maybe ever signed anywhere," has threatened at times to remove the U.S. from the trade agreement altogether, sending U.S. business leaders with Mexico production facilities reeling.

Starbucks is another U.S. company in recent weeks to appoint lobbying counsel in response to the development, inking an agreement with public affairs firm McGuire-Woods to advocate in Washington on behalf of NAFTA-related issues. The Seattle-based coffee giant employs more than 7,000 at 600 locations throughout Mexico and acquires a large amount of its coffee from Mexican producers.

The Whirlpool account will be managed by senior advisor Justin McCarthy, who formerly served in the George W. Bush administration as special assistant to the President for legislative affairs. Bush earlier appointed McCarthy as assistant U.S. trade representative for congressional affairs.

FACEBOOK PLAYS DAMAGE CONTROL

By Ronn Torossian, CEO of **5WPR**



Facebook CEO Mark Zuckerberg has said his company will turn over thousands of ads it sold to various Russian-linked accounts to the Congressional intelligence committees investigating Russia's involvement in the 2016 presidential election as well as any connection those activities may have had with the Trump campaign.

The announcement came during a statement in which Zuckerberg said his company had a "nine-point plan" for dealing with suspected "election interference."

At this point, there's no hard evidence — at least publicly released — proving anyone in Russia had anything to do with the 2016 U.S. Presidential election. The Russian government has denied any involvement, and even some of the usual suspects among the international hacking community have stayed mum on the topic. Regardless, this is a story that simply will not go away.

Along the way, many different brands and public figures have been pulled into the debate. Most prominently, of course, are President Trump and members of both his family and his campaign team.

But several American-based brands have been forced to answer questions about their "involvement" or "activities" as well. Facebook is one of the most prominent brands in this category. The social media giant has been accused of administering advertising controls that are too lax, putting profits above national security.

This is an allegation Zuckerberg and his team have vehemently denied. During a recent Facebook Live event, Zuckerberg said: "We are in a new world. It is a new challenge for internet communities to have to deal with nation-states attempting to subvert elections, but if that's what we must do, then we are committed to rising to the occasion ..."

Putting his money where his mouth is, Zuckerberg said Facebook already turned over copies of the ads in question, as well as any relevant information, to U.S. Special Counsel Robert Mueller, who's leading the investigation into whether any collusion occurred during the 2016 election. Facebook admitted the company has yet to turn over any ads to Congress but said it would soon.

Consumers on both sides of the political spectrum, meanwhile, have weighed in on the issue. Some say Facebook is just playing a political game to promote a story that supports the company's political leanings. Others say the social media giant should be more forthcoming still and do a better job policing its advertising accounts.

Based on these reactions, it's clear that no matter what he does, Zuckerberg isn't going to make everyone happy. But that's no reason to dismiss tact and very careful public relations planning. When you go in knowing there will be some who are upset by your message, clarity and careful communication is vital to achieving the best response.



FEINTUCH, ROSICA FORM JOINT VENTURE

New York-based financial and tech firm **Feintuch Communications** has launched a joint venture with Fairlawn, NJ-based full-service agency **Rosica Communications** that will now offer complementary communications services to each firm's existing and prospective clients.

Leaders from both agencies told *O'Dwyer's* that the collaboration aims to leverage both firms' strengths and resources to the benefit of each firm's respective clients.



Rosica (L) & Feintuch

Feintuch, which was founded in 2009, represents consumer tech and clean tech companies, as well as clients in the financial services sector. The agency in 2016 accounted for about \$1 million in net fees, revealing an 18 percent year-over-year uptick in growth from the year prior.

Rosica, which was founded in 1980, has clients in the B2B as well as consumer packaged goods, food and beverage, healthcare and nonprofit sectors. The agency, which was formerly headquartered in Paramus, accounted for more than \$1.4 million in net fees last year.

"Our relationship with Chris Rosica and his team has been growing over the last few years," FC president Henry Feintuch said. "His team is strong and well-experienced in consumer and lifestyle marketing, life sciences, food and beverage, animal health/pet products and many other market segments."

"We have known Henry for years and are successfully collaborating on several clients. Feintuch's expertise in tech is broad and covers fintech, adtech/martech, consumer electronics and other key sectors," Rosica president Chris Rosica said. "They bring quality financial PR, analyst relations, corporate communications and other services to the combined agencies, which strategically augment our offerings."

BURSON DISHES ON CONTROVERSIAL CLIENTS

Harold Burson is one of the most respected and influential people in PR, partly due to his philosophy of upholding the First Amendment rights of speech and press even when a controversial client may result in a backlash against his firm, Burson-Marsteller.

In his new book, "**The Business of Persuasion**," a deeply personal account of a 70-year career in public relations, Burson sums up his belief in free expression: "Even the most unpopular or destructive organization has the right to express its views and explain itself, as long as its objectives are legal and the messages incite no violence, then it should be free to employ professional PR counsel, especially for navigating

The Business of Persuasion



the media landscape, which has grown as complicated as our legal system." Amen to that.

B-M has refused assignments that make staffers or existing clients uncomfortable (e.g., debate on abortion) or countries with questionable human rights policies that have little chance of changing.

In Burson's view, it comes down to whether the client would be good for business over the long run. "To me, it's more a business decision than an ethical decision."

Burson outlines his firm's work on behalf of clients such as Union Carbide following the Bhopal explosion, Argentina under junta rule, Johnson & Johnson's Tylenol poisoning, asbestos litigation and Saudi Arabia in the aftermath of 9/11.

He notes how B-M often takes heat for supporting or defending clients, mentioning that a cable news commentator once referred to B-M as "the public relations firm from hell" and that India's media still pillory the firm for its Bhopal work.

Burson contrasts the legal and PR professions. While a lawyer can take on a murderer as a client without suffering any stigma, a PR firm may be hit with "hateful criticism and picket lines" because of a client.

"There is a love-hate relationship between media representatives and PR professionals, even though many PR professionals have journalism backgrounds," explains Burson. "Institutionally, reporters and editors believe that clients hire us to whitewash our clients' misdeeds or prevent them from talking directly with client CEOs—although they can almost always cite PR professionals who have been helpful."

Burson's book is much more than controversial clients and crisis management.

It's about the co-founding of one of the most influential PR firms and its eventual sale. It's about the development of modern PR by a man who helped create that communications discipline.

VITTER TARGETS CONGRESS FOR FLOOD RELIEF

David Vitter, the retired Louisiana Senator who joined Omnicom's Mercury global strategy firm in February, is lobbying former colleagues and the Trump administration on flood-related matters.

The Republican, who gained first-hand disaster management experience through Hurricane Katrina response and recovery, has lined up Plaquemines Parish government, Plaquemines Port Harbor and Terminal District and Southeast Louisiana Flood Protection Authority as clients.



David Vitter

Vitter served nearly two decades on Capitol Hill in both the House and Senate and exited in 2015 for a failed run for governor of the Pelican State.

He helped pass key legislation such as the Frank R. Lautenberg Chemical Safety Act, Water Resources Reform and Development Act and Fixing America's Surface Transportation Act.

At Mercury, Vitter co-chairs its DC office and spearheads development of its Gulf South operations.

CenturyLink, employer of Debra Peterson, nominee for 2018 chair-elect of PRSA, has pledged to “do the right thing” regarding fraud charges against the company.

CL CEO Glen Post said accusations of fraud filed in eight states that could cost the company up to \$12 billion in damages are being investigated by a special committee. A report is due in Q4.

“The allegations in the lawsuits are contrary to everything I believe we stand for and do not represent our principles or values,” he said. “Sometimes we do make mistakes just like anyone else... whatever is found in the investigation of these matters, we will do the right thing,” he added. He did not deny the charges.

Peterson is VP-external and community relations of CL. Her election became official when no opponents appeared at least 30 days before the Oct. 7 Assembly in Boston. Six others were nominated as directors, five of them APR. Sixteen of the 17 national directors in 2017 are APR when only 18% of members are APR.

PRSA has barred all reporters from covering its Assembly in past years and has barred some reporters from entering the exhibit hall at the national conference.

CL, a \$17.9 billion company based in Monroe, La., is the third-largest telecom in the U.S. in terms of lines served, operating in 37 states. Post has resigned effective Jan. 1, 2018 and will be succeeded by Jeff Storey of Level 3 Communications, which is being acquired by CL 9/30/17.

Towers Are in Populated Areas

Telecoms are under attack from Wi-Fi health advocates who say numerous cell towers are in downtown areas of cities, often hidden from view in buildings or church spires, when they should be on the outskirts of towns and separated from populated areas.

Peterson, while preparing to be chair of PRSA, will have her hands full dealing with the lawsuits, which will take many months if not years to settle, and with charges that CL has cellphone antenna in populated areas.

The **cell tower map of Southhampton** shows 57 cell locations of various types including the one in Westhampton Beach in the steeple of St. Mark’s Episcopal Church.

Locations of towers are usually posted in municipal websites. They can also be found via **antennasearch.com** by entering an address. The site found, for our home in Westhampton Beach, 67 towers within a four-mile area and 51 antennas. The towers can be as high as 200 feet and have **24 or more panels about 6 inches wide by 4 feet** or more.

There are 654,490 cell towers and 1,903,328 antennas in the U.S., according to Antenna Search’s latest figures.

Many more will be needed for the proposed installation of 4G and 5G cellphone technology (meaning fourth and fifth generation devices). The transmitters are more powerful than earlier versions but don’t penetrate walls and other obstructions well. Hundreds of thousands of new transmitters will be needed, perhaps every five to ten houses.

Californians Battle Telecom Bill

SB 649, a California bill passed earlier this month and

awaiting the signature or veto of Governor Jerry Brown, eliminates local discretion in allowing the new devices.

The Calif. Brain Tumor Assn. said 300+ of the 400 state cities and 47 of the 58 counties have expressed opposition to the bill. Mayors of six of California’s largest cities have sent the AT&T-initiated bill’s sponsor, Senator Ben Hueso, a letter opposing the measure.

The League of California Cities said the bill “unnecessarily and unconstitutionally strips local authority over public property and shuts out public input and local discretion by eliminating consideration of the aesthetic and environmental impacts of ‘small cells.’”

Eight States Sue CenturyLink

Minnesota on July 12 joined seven other states in filing a **class-action consumer suit** against the company.

The state says CL, which has \$17.9 billion in revenues, has “an incredibly complicated pricing scheme” that involves more than 1,500 different scenarios of what would be charged.

Negative comments about CL abound on the web. Consumer Affairs shows 713 comments, **689 giving the company one star** out of five.

Facebook displays numerous complaints of poor customer service, over-charging, complicated bills and technical failures.

Suris of Wells Fargo a Leader of PRSA, IPR

Charges against CL have been likened to those against Wells Fargo that resulted in \$185 million in fines and 5,300 staffers being fired.

Oscar Suris, executive VP and head of CC of Wells Fargo, was co-chair of the 2013 national conference of PRSA. A graduate of the Univ. of Florida, he is affiliated with it. He is a trustee of the Institute for PR, a director of Congressional Hispanic Caucus Institute, and is affiliated with the National Council of La Raza.

One CL customer said the quoted rate of \$14.95 monthly turned out to be \$29.95. Another said service was offered for \$19.95 but the bill was \$367.33 including monthly net service for \$71.

The suits say damages could range from \$600M to \$12B. Also filing are Arizona, California, Colorado, Idaho, Nevada, Oregon and Washington.

Company spokesman Mark Molzen said CenturyLink is cooperating with Minnesota Attorney General Lori Swanson by providing all requested information. He said the company takes the allegations “seriously” and they are “completely inconsistent with company policies, culture and Unifying Principles.”

When Peterson becomes chair in 2019, CL will be the biggest company represented in the top elected post at PRSA since 1994 when Joseph Vecchione of Prudential Insurance was president. Prudential revenues are \$50B+.

About half of the Society’s elected presidents or chairs since then have been solo practitioners or in small PR firms including Sam Waltz, Stephen Pisinski, Reed Byrum, Del Galloway, Joann Killeen, Cheryl Procter-Rogers, Judith Phair, Rhoda Weiss, Gerry Corbett and Jane Dvorak.

– Jack O’Dwyer